COSTING AND FINANCING OF LAND ADMINISTRATION SERVICES

Prioritizing service delivery options on a cost basis

THE TOOL

CoFLAS is a set of guidelines and a tabular framework that allows for exploring, identifying and prioritizing land administration service (LAS) delivery options based on costs of developing and running the services, financial resources available to pay for them, as well as other considerations such as human capacity and strategic decisions like service coverage. A characteristic of the tool is that it has a tabular costing structure aimed at assisting government staff to prepare and assess LAS reform proposals. At the same time, the tool takes into consideration the variation in approaches that would have an impact on the cost and viability of the reform. Also vitally important is the focus on an affordable, “fit-for-purpose”, countrywide approach which reduces barriers for the poor and ensures that there are benefits to society as a whole.

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In recent years, public agencies the world over have had to grapple with mounting challenges of accessing financial resources. Recurring financial crises have brought these agencies under much scrutiny, with voters asking governments to “do more with less”. This has translated into high expectations on the quality of public service provision, including land services, while at the same time reducing the resources available to deliver these services. In developing countries, this problem is more pronounced because public resources have to deal with competing priorities and a shift in focus to critical development challenges like food security, infrastructure, water, health, education, etc. The diminishing trend in development assistance has further aggravated the situation since sectors such as land have, for the most part, depended on this source of funding. This means that the land sector is not and will not receive as much funding as before.

Having observed this trend, the Global Land Tool Network (GLTN) identified Modernizing the Budgetary Approach of Land Agencies as an important area of tool development. Modernizing land services entails making them effective, cost efficient, affordable, inclusive and sustainable. With the status quo in place, or without modernizing the way services are provided in land offices, developing countries will find it difficult to ensure secure access to land and property to all, including the poor and the vulnerable. This is the background and the thinking underpinning the development of the tool Costing and Financing Land Administration Services (CoFLAS). Another key global initiative that goes in tandem with the development of CoFLAS is the concept of “fit-for-purpose” Land Administration System (LAS). This is about simplifying land administration systems by matching technical and institutional solutions with immediate to mid-term requirements. This is also about “right-sizing” the vision and the operational demands of land administration without sacrificing reasonable service quality, inclusivity, capacity, and affordability, etc., so that land service coverage, particularly in a developing country context, can be improved.

**BENEFITS OF CoFLAS**

The CoFLAS tool addresses the core need for land agencies in developing countries to identify the costs involved in developing and maintaining LAS as well as the likely return on investment. The tool focuses on the formal end of the continuum of rights but also looks at steps that can be taken to ensure that the formal LAS is affordable and accessible by all in society. The four stages in the application of CoFLAS are: i) initial investigation of the context within which LAS reform will be undertaken; ii) review of the resource requirements and capital costs in establishing an appropriate LAS; iii) review of the options and likely costs of running a LAS; and finally iv) estimation of the likely revenue that can be generated by a LAS.

CoFLAS is intended as a tool to support:

a) Land sector staff in preparing proposals for LAS reform;
b) Policy makers in the land sector in assessing such proposals and in making a case for support within government and from development partners; and
c) Key government agencies such as finance and development partners in reviewing LAS reform proposals and ensuring that such proposals provide value for money.

**PARTNERS DEVELOPING CoFLAS**

The development of CoFLAS has entailed intense case research and consultations. It has involved conducting vitally important conversations with land agencies, professional groups and other stakeholders. Land Equity International of Australia has closely worked with the GLTN and the International Federation of Surveyors (FIG). The latter two have been leading on the development of CoFLAS in partnership with other major players like Lantmätteriet, Kadaster International, Statkart, and Danish Geodata. Other agencies in developing countries have also contributed to the development of CoFLAS, including land agencies from Lesotho, Tanzania and Uganda. Currently, there are plans to pilot the tool in both Tanzania and Lesotho with results from the pilots anticipated to guide further development of an implementation manual and the tool.